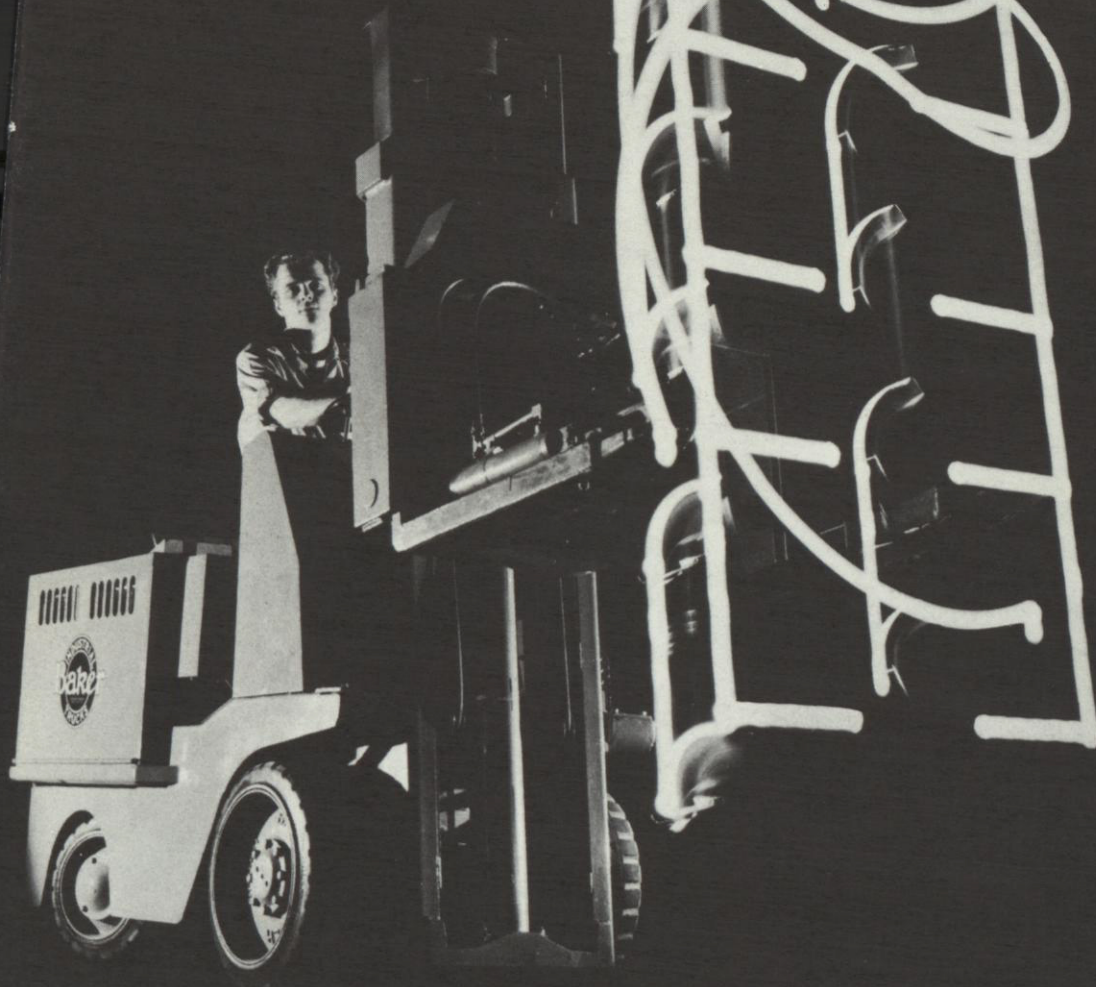


THE
BAKER-RAULANG
COMPANY



Baker

annual *report*
NINETEEN FIFTY-TWO

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CORPORATION FILE

Officers AND DIRECTORS...

THE BAKER-RAULANG COMPANY

DIRECTORS

WILLIAM A. BAUER, *Chairman*

A. DOUGLASS HALL
Financial Vice President
The Diamond Match Company

JOSEPH JOINER, JR.
Vice President
Maritime Petroleum Corporation

GEORGE MILLER
President
Strong Cobb & Company

JAMES W. MORAN
President

Baker-Raulang Company
WESLEY A. STANGER, JR.
Partner
Riter & Company

FRED R. WHITE, JR.
Vice President
Oglebay Norton & Company

LEGRAND H. LULL*
President

Lull Engineering Company

OFFICERS

JAMES W. MORAN
EDWIN W. SANKEY
GERALD B. DAVIS
JOHN A. MATOUSEK
EDWARD H. REMDE
CHARLES N. SUMWALT, JR.
ERNEST J. SCOVIL
GEORGE A. BAKER

President and Treasurer

Vice President

Vice President

Vice President

Vice President

Vice President

Secretary and Comptroller

Assistant Secretary & Assistant Treasurer

GENERAL COUNSEL

MILLER, DAVIS & FOLK • Cleveland, Ohio

AUDITORS

ERNST & ERNST • Cleveland, Ohio

TRANSFER AGENTS

UNITED STATES TRUST COMPANY OF NEW YORK
CLEVELAND TRUST COMPANY, CLEVELAND, OHIO



Time-lapse photography
shows wide variety of
handling motions provided
by the Baker-Raulang
Octopus introduced
in 1952

THE BAKER-LULL CORPORATION

DIRECTORS

WILLIAM A. BAUER, *Chairman*

LEGRAND H. LULL*
G. B. DAVIS*
JOHN A. MATOUSEK*
EDWIN W. SANKEY*
CHARLES N. SUMWALT, JR.*
ADELBERT C. SMITH, JR.*
GILBERT C. STREGE*

President, Lull Engineering Company

Vice President, The Baker-Raulang Company

Vice President, The Baker-Raulang Company

Vice President, The Baker-Raulang Company

Vice President, The Baker-Raulang Company

Law Offices of A. C. Smith, Jr.

President, Baker-Lull Corporation

OFFICERS

GILBERT C. STREGE*
PATRICK LAMB*
RICHARD T. TIEBOUT*
ERNEST J. SCOVIL
LLOYD PENNINGTON

President and Treasurer

Vice President

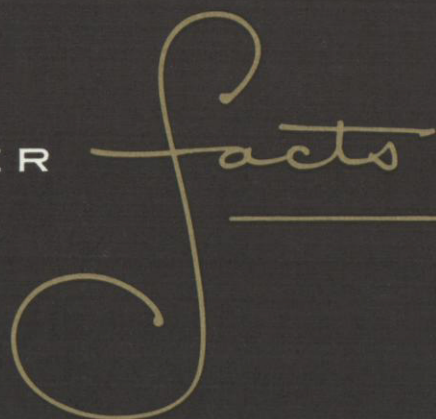
Vice President

Secretary

Assistant Treasurer

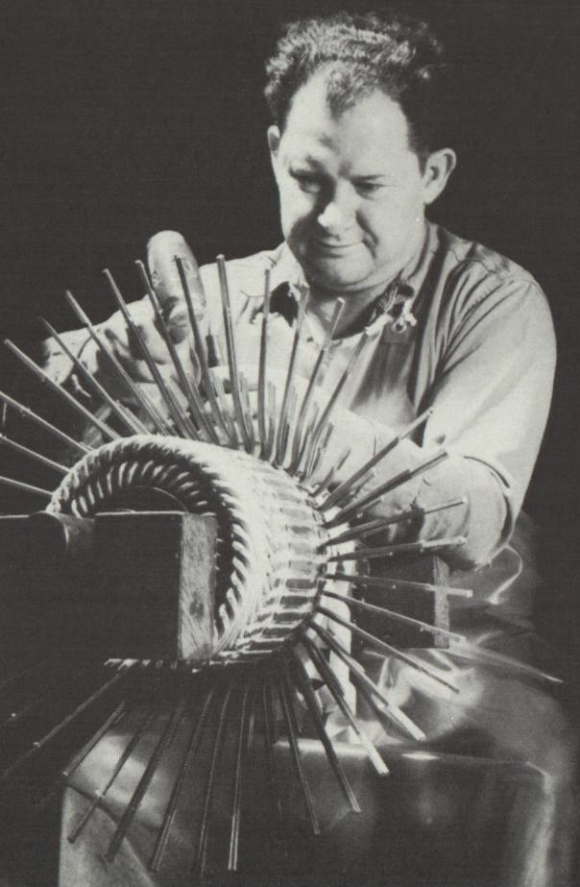
*These appointments effective February 25, 1953

BAKER



AT A GLANCE

■ Skilled, careful workmanship goes into every industrial truck motor turned out by Baker craftsmen.



	'52	'51	'50
Net Sales	\$8,157,560.00	\$6,179,839.00	\$3,349,393.00
Taxes	590,461.00	523,354.00	126,560.00
Net Profit	372,125.00	362,288.00	187,410.00
Unfilled Orders (December 31)	4,790,999.00	2,641,676.00	1,137,903.00
Earnings (Per Common Share)	1.93	1.87*	.90*
Dividends (Per Common Share)	** (A)	.60	.15
Net Working Capital	3,155,705.00	3,113,878.00	1,900,413.00
Long Term Debt Outstanding	1,500,000.00	1,200,000.00	140,000.00
Preferred Stock Outstanding	557,700.00	594,300.00	606,700.00
Net Worth	4,445,069.00	3,577,231.00	3,160,877.00
Book Value* (Per Common Share)	18.11	16.65	14.63

*Adjusted to outstanding Shares,
12/31/52.

**Two 5% Stock Dividends Paid.

(A) 100% Stock Split.
5% Stock Dividend.
5% Stock Dividend.

Report

TO THE STOCKHOLDERS AND EMPLOYEES

■ On the final assembly line, nearly-completed fork trucks are inspected before moving to next station.



In nineteen fifty-two, your company, in line with our policy of progressive long-term development and growth, established new records in the sales and manufacture of industrial trucks.

Further, these gains were consolidated by significant improvements in manufacturing and sales techniques and a broadening of the company's product line.

Despite increased capital expenditures for plant and equipment by American industry, the civilian market for industrial trucks paradoxically moderated, partially reflecting advance orders placed in 1951 by many customers. However, our large backlog of civilian and military orders and large new purchases from the latter source resulted in 1952 total sales of \$8,157,560 which was an increase of \$1,977,721 over 1951.

Earnings, despite the increased sales, were held to a slight gain of \$9,836 over the \$362,289 income of 1951. Increased taxes of 12.8% mainly accounted for the relatively small gain. To meet your company's soaring production goals, it was necessary for us to carry larger inventories—although improved production control techniques have succeeded in materially lowering our relative inventory requirements.

We are happy to point out that unfilled orders as of December 31, 1952 were \$5,013,136, an increase of \$2,371,460 over the backlog of \$2,641,676 of December 31, 1951. This virtually assures a successful 1953.

Working capital of your company was increased in 1952, but not commensurate with our plans for the future. Accordingly, your Board of Directors withheld any cash dividends (except those paid in lieu of fractional shares) and voted a total of two 5% stock dividends. The earnings, therefore, were retained in the business for plant improvements and added working capital needs.

To further provide working capital—particularly for company expansion—your company added to its long-term indebtedness on September, 1952 by placing through Riter & Company of New York City, \$1,500,000 in 15-

year notes. These have an annual interest rate of $4\frac{1}{2}\%$ and the first payment is due on September 1, 1954. The Mutual Benefit Life Insurance Company of Newark, New Jersey holds \$1,000,000 of these notes while the balance is held by the Knights of Columbus, a fraternal organization.

Perhaps the most significant company development in the past year was the acquisition of the Lull Manufacturing Company of Minneapolis, Minnesota. This new company promises to substantially enhance the manufacturing capacity, product line, and trained personnel of your company. This acquisition is described in detail on pages 16 to 19.

OUTLOOK FOR 1953

While reliable sources indicate that capital expenditures for plant and equipment in 1953 will probably decrease 10%, it is our expectation that more of the available funds will be expended for replacement and modernization of equipment than was expended in 1952—when emphasis was on new construction. This fact should result in increased sales opportunities.

The company's new products, enlarged sales organization and accelerated promotion activities are also expected to increase 1953 commercial sales substantially over 1952.

Some improvements in operating efficiency are expected in manufacturing operations but as indicated in the section on manufacturing, our factory efficiency is at an enviable position. However, refinements in assembly methods will probably result in additional gains.

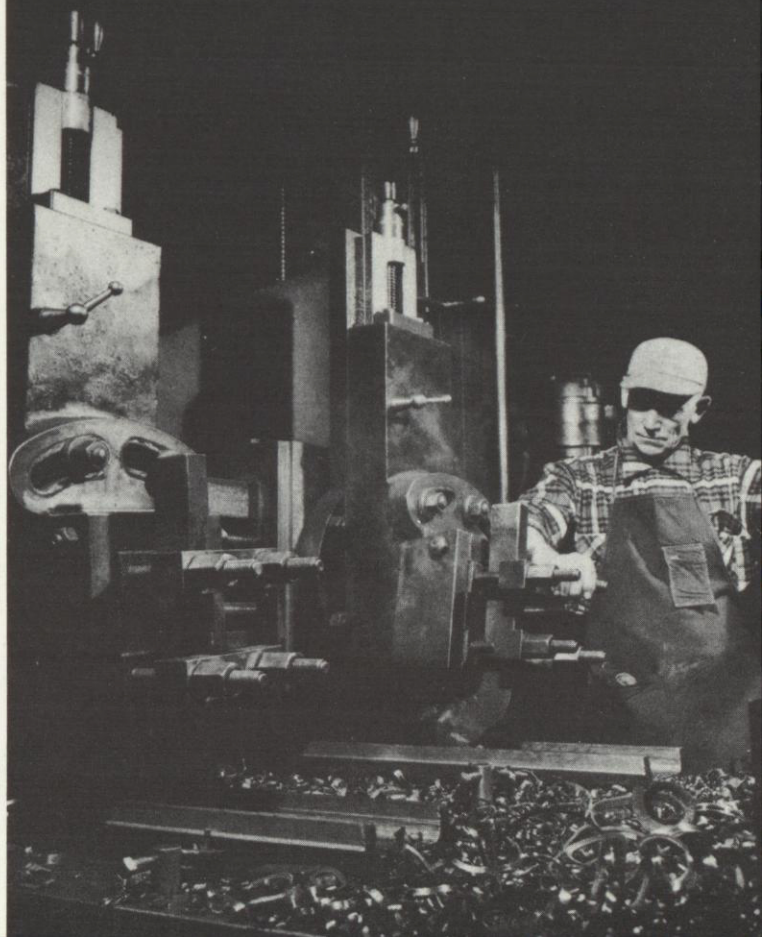
The accelerated and broadened activities discussed in this report will inevitably have a desirable effect on Baker sales. New and improved products appearing from the engineering department, better merchandising support for our field sales organization, and new materials handling engineering services for our customers give us confidence in the continued success of your company. ■

James W. Moran

JAMES W. MORAN
President

Report TO THE STOCKHOLDERS AND EMPLOYEES

■ Cast steel fork truck masts are precision machined on this giant planer.



Sales PROGRAM

■ Baker fork trucks are used in every type of industry to cut the cost of moving and storing materials.



While the company set new highs in sales and production in 1952, a considerable portion of this business was attributable to the armed forces. Although it is certain, that the government will continue to be a substantial customer of American industry in any given year, we are committed to convert as much of our volume to commercial sales as possible.

Considerable progress was made in 1952 toward the steps necessary to achieve this conversion. The sales plans developed generally fall into three categories: (1) Expanded distribution outlets; (2) Improved training and supervision of distributors; (3) Accelerated advertising and merchandising efforts.

During the year, several new offices were opened by Baker franchise holders and a few new sales territories were created. More of our sales representatives have erected adequate physical facilities for sales and service of our equipment and others are contemplated. Naturally, installations like these greatly improve our service to customers in any given area and enhance our reputation with prospects.

Additional field sales engineers in both our Cleveland and New York offices have enabled the company to set-up regular and frequent visits to the respective sales territories for training distributor's salesmen and establishing controls for checking the distributor's performance and efficiency, and provide the special assistance frequently needed to swing the balance in favor of Baker equipment.

A further assignment of the new staff men is to promote national account sales through repeated calls on the head-offices and to disseminate the gathered information on account needs and methods to the various sales offices near each of the branch plants.

A transportation sales manager has also been appointed to establish a network of special railway distributor outlets where needed to effect the sale of Baker products to this large market and to promote sales to motor freight terminals and airports. New products (described under Engineering) are also expected to improve this market.

Continuing efforts are being expended by the management to establish a lease rental plan and financial support for potential customers through some outside financial organization. In the very near future an effective plan should be in operation.

Our advertising for the year 1952 was revamped in the last quarter after comprehensive market and product research pointed out new and effective methods to stimulate sales through this medium. An enlarged program of space advertising, exhibits and other promotional efforts is now under way. ■

Engineering PROGRAM

- Young engineering talent works with seasoned Baker veterans to produce the finest trucks industry can buy.



Emphasis in the engineering activities of Baker-Raulang during 1952 centered on the development of new models indicated by earlier product research. As a result, no less than six new industrial trucks are to be introduced by the company in 1953.

These will provide our sales force with an excellent line of quality units at competitive prices for practically all applications. It has been established that the company will not build "special" units without any general market. These constitute a relatively small portion of industrial truck sales.

Among the units completed in 1952 and now under test is a revolutionary gasoline powered truck which utilizes a generator to transmit power from the engine to a drive motor on the drive axle. This unique power transmission system will eliminate the need for a clutch and drive shaft, perennial weak points and high maintenance items in regular gasoline units. Introduced in a 4,000-pound capacity, other capacities will soon follow.

Much as the railroad industry has shifted to diesel-electric locomotives because of operating economies, this new type of gas truck should offer similar economies.

Two new light capacity electric trucks were also completed and will be introduced in early 1953. One of these is a unit designed to take advantage of the growing trend in the motor freight industry towards electric trucks for handling less-than-truck-load cargo.

The company has also redesigned its line of electric platform trucks from a standpoint of modernizing their operation and lowering production costs. These units, while limited in their application relative to fork trucks have a definite place in industry and the demand is constant.

In addition to the development of new trucks, new handling attachments were introduced to greatly enhance the versatility of Baker trucks with respect to various sizes and shapes of loads. It is in this area that Baker engineering advances are most apparent.

Nineteen fifty-two saw, for example the introduction of the "Octopus" a 4,000-pound truck that would pick up any shape load within its weight range and stack it in practically any position. This development caused vast national publicity from the trade and general press.

While equipment development is perhaps the most glamorous activity in engineering, the Baker staff is constantly working on a program of corrective engineering. Literally hundreds of design changes on existing and accepted products flow from the engineering department annually. These changes not only keep Baker trucks abreast of current developments in materials and operation but are also carried on with an eye to reducing manufacturing costs. ■

Statement

OF PROFIT AND LOSS AND SURPLUS

PROFIT AND LOSS

Net sales		\$8,157,559.98
Other income		<u>67,934.21</u>
		\$8,225,494.19
Less:		
Cost of goods sold	\$5,668,666.50	
Other expenses:		
Sales engineering and selling expenses	1,225,449.24	
Administrative and general expenses	314,128.99	
Interest expense	<u>54,663.03</u>	7,262,907.76
		\$ 962,586.43
	PROFIT BEFORE FEDERAL TAXES ON INCOME	
Federal taxes on income—estimated:		
Normal tax and surtax	\$ 495,000.00	
Excess profits tax	105,000.00	
Adjustment for prior year	<u>9,539.15*</u>	590,460.85
	NET PROFIT	<u>\$ 372,125.58</u>
Allowances for depreciation and amortization of property, plant, and equipment included above amount to \$104,082.71.		
*Indicates red figure.		
See notes on balance sheet.		

SURPLUS

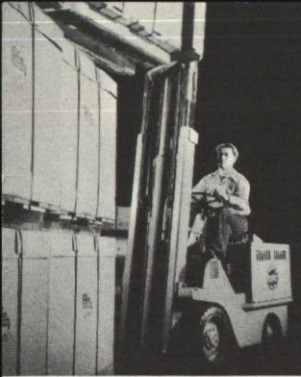
CAPITAL SURPLUS

Balance at January 1, 1952		\$ 577,194.88
Add:		
Transfer from earned surplus in connection with stock dividends— amount in excess of par value of shares issued	\$ 167,056.00	
Excess of market price of common stock over par value of 37,437 shares issued in December 1952, and January 1953, in exchange for common stock of The Baker- Lull Corporation	519,438.37	
Excess of par value over cost of 366 shares of preferred stock purchased and retired	<u>4,682.00</u>	691,176.37
		\$1,268,371.25
Deduct:		
Amount transferred to stated capital in connection with 100% common stock distribu- tion (in nature of a 2-for-1 split-up)		80,443.00
		<u>\$1,187,928.25</u>
	CAPITAL SURPLUS AT DECEMBER 31, 1952	

EARNED SURPLUS (since July 1, 1936)

Appropriated for future possible losses in inventories		\$ 112,000.00
Unappropriated:		
Balance at January 1, 1952		\$2,213,293.79
Add net profit		<u>372,125.58</u>
		\$2,585,419.37
Deduct:		
Cash dividends declared—on preferred stock—\$5.00 per share	\$ 27,885.00	
Stock dividends paid:		
5% on common stock—7,999 shares at assigned value of \$11.00 per share (includes \$543.60 paid in lieu of fractional shares)	88,532.60	
5% on common stock—8,292 shares at assigned value of \$11.50 per share (includes \$2,189.00 paid in lieu of fractional shares)	<u>97,547.00</u>	
	\$ 213,964.60	
Less unpaid portion of dividend declared in prior year but not required to be paid on preferred stock purchased during the year 1952	<u>1,372.50</u>	212,592.10
		<u>\$2,372,827.27</u>
	EARNED SURPLUS AT DECEMBER 31, 1952	<u>\$2,484,827.27</u>

See notes on balance sheet.



DECEMBER
31, 1952

Balance sheet

ASSETS

CURRENT ASSETS

Cash		\$ 622,946.75
Trade accounts receivable, less allowance of \$3,000.00		904,502.56
Inventories—cost (first-in, first-out basis):		
Finished products	\$ 71,137.94	
Service parts	734,577.03	
Orders in process and sub-assemblies	2,215,188.69	
Raw materials	282,116.21	3,303,019.87
Prepaid insurance and supplies		103,359.60
TOTAL CURRENT ASSETS		\$4,933,828.78

INVESTMENT AND OTHER ASSETS

Common stock of The Baker-Lull Corporation (wholly-owned subsidiary)— at cost—Note A	\$1,256,875.37	
Mutual insurance deposits	27,269.16	
Sundry advances, etc.	2,287.43	1,286,431.96

PROPERTY, PLANT, AND EQUIPMENT—at cost

Land		\$ 185,781.24
Buildings, machinery, equipment, etc.	\$2,380,853.39	
Less allowances for depreciation and amortization	1,090,367.07	1,290,486.32 1,476,267.56

PATENTS AND GOOD WILL		1.00
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DEFERRED CHARGE

Long-term debt expenses, less amortization		26,663.82
--	--	-----------

\$7,723,193.12

notes TO FINANCIAL STATEMENTS

Note A—As of December 31, 1952, the Company acquired all the outstanding common stock of The Baker-Lull Corporation in exchange for 37,437 shares of the Company's common stock plus \$700,000.00 cash. In accordance with terms of the purchase agreement 36,437 shares of such stock and \$300,000.00 of the cash payment remained to be delivered at the year end and were delivered and paid on January 2, 1953.

The amount of the investment in this subsidiary is stated at cost (including estimated market price for common stock issued in the acquisition). It is anticipated that the net worth which will

be shown by the balance sheet of this subsidiary at December 31, 1952, will be approximately the same amount.

Note B—The Company, at its option, may prepay the principal of the notes at premiums ranging from 4.50% in 1953 to no premium in 1967. Prepayments may be made without a premium in any calendar year if the aggregate principal amount thereof shall not exceed and will apply against the principal amount payable in the next succeeding year. The agreement includes, among other things, restrictions on borrowings and dividends and requirements for maintenance of working capital. As a result of the requirements

LIABILITIES, CAPITAL STOCK, AND SURPLUS

CURRENT LIABILITIES

Note payable to bank—Note C	\$ 400,000.00
Amount payable in connection with acquisition of the capital stock of The Baker-Lull Corporation—Notes A and C	300,000.00
Trade accounts payable	341,480.98
Salaries, wages, and pay roll taxes	54,784.60
Accrued real estate taxes and interest	43,973.02
Dividend on preferred stock—payable semiannually beginning April 1, 1953	27,885.00
Federal taxes on income—estimated	610,000.00
TOTAL CURRENT LIABILITIES	\$1,778,123.60

LONG-TERM DEBT—Note B

4½% promissory notes maturing \$100,000.00 annually 1954 to 1966 and \$200,000.00 in 1967	1,500,000.00
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CAPITAL STOCK AND SURPLUS—Notes B and D

Capital stock:

Preferred stock, \$5.00 cumulative if earned, par value \$100.00 per share, redeemable at \$105.00 per share and accumulated unpaid dividends:

Authorized 7,500 shares; issued 7,443 shares less 1,866 shares retired	\$ 557,700.00
--	---------------

Common stock, par value \$1.00 per share:

Authorized 300,000 shares; issued and outstanding 178,177 shares	\$ 178,177.00
To be issued January 2, 1953—36,437 shares—Note A	36,437.00
	<u>214,614.00</u>
	\$ 772,314.00

Surplus:

Capital surplus	\$1,187,928.25
---------------------------	----------------

Earned surplus—since July 1, 1936:

Appropriated for future possible

losses in inventories	\$ 112,000.00
---------------------------------	---------------

Unappropriated	<u>2,372,827.27</u>	<u>2,484,827.27</u>	<u>3,672,755.52</u>	<u>4,445,069.52</u>
				\$7,723,193.12

under such agreement restricting payment of dividends, unappropriated earned surplus (since July 1, 1936) in the approximate amount of \$216,000.00 is not restricted by such requirements.

Note C—As of December 22, 1952, the Company entered into an agreement with two banks in order to obtain a loan in the amount of \$700,000.00 due on or before November 1, 1953. The cash proceeds, received in January, 1953, were used to pay the note payable to bank and the amount payable in connection with acquisition of the capital stock of The Baker-Lull Corporation at December 31, 1952.

Note D—At December 31, 1952, the Company has reserved 39,114 shares (adjusted for the 100% stock distribution March 15, 1952)

of its common stock under the Employees' Share Option Plan and there are in effect options to purchase an aggregate of 14,000 of such shares at prices ranging from \$11.00 to \$14.75 per share.

Note E—The Company has in effect an agreement with UAW-CIO providing for the payment of retirement and disability benefits. The agreement provides for modification or termination of the plan on September 30, 1956. At October 1, 1952, based on the employees to be covered, the estimated annual cost (including provision over a period of twenty-four years for past service costs, which total approximately \$196,000.00) will be approximately \$39,000.00.

ERNST & ERN
ACCOUNTANTS AND AUDITORS
SYSTEM SERVICE
AND

SYSTEM
CLEVELAND
UNION COMMERCE BUILDING
DELIVERY ZONE 14

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BUFFALO
CANTON
CHICAGO
CINCINNATI
CLEVELAND
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DAYTON
DENVER
DETROIT
EAST
FORT WORTH
GRAND
HOUSTON
INDIANAPOLIS
KANSAS CITY
KANSAS CITY
LOS ANGELES
LOUISVILLE
MEMPHIS
MIAMI
MILWAUKEE
MINNEAPOLIS

NEW ORLEANS
NEW YORK
PHILADELPHIA
PITTSBURGH
PORTLAND, ME
PROVIDENCE
READING
RICHMOND
ROCHESTER
ST. LOUIS
ST. PAUL
SAN ANTONIO
SAN FRANCISCO
SEATTLE
TELETYPE
WASHINGTON
WINSTON-SALEM
YOUNGSTOWN

TORONTO, CANADA

CORRESPONDENT AT
LONDON

CABLE ADDRESS
"ERNSTAUDIT"-N.Y.

Board of Directors,
The Baker-Raulang Company,
Cleveland, Ohio.

ard of Directors,
The Baker-Raulang Company,
Cleveland, Ohio.

We have examined the balance sheet of The Baker-Raulang Company as of December 31, 1952, and the related statements of profit and loss and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as referred to in the next paragraph.

Physical inventories were not taken at December 31, 1951, 31, 1952; consequently we were unable to make the usual tests of these observed and which resulted in an upward adjustment of a negligible amount. To the extent that the physical inventories for 1952 were not fairly stated in the preceding sheet a


We have examined the ending balances of the company as of December 31, 1952, and the loss and surplus for the year then ended, in accordance with generally accepted auditing standards as we considered necessary in the circumstances, except as stated in the next paragraph.

Physical inventories were not taken at December 31, 1951, and December 31, 1952; consequently, we were unable to make the usual test observations at those dates. However, physical inventories were taken at June 30, 1952, which we observed and which resulted in an upward adjustment of book inventories by a negligible amount. To the extent of auditing tests which we were able to apply, we have no reason to believe that the amounts for beginning and ending inventories for 1952 were not fairly stated.

In our opinion, subject to the comments in the preceding paragraph relative to inventories, the accompanying balance sheet and statement of profit and loss and surplus present fairly the financial position of the Baker-Haulung Company at December 31, 1952, and the results of its operations for the year then ended, in conformity with the principles applied on a basis consistent with the accounting principles applied in the preceding year.

Physical inventory, however, December 31, 1952; consequently, observations at those dates. However, the 30, 1952, which we observed and which we have no reason to doubt of book inventories by a negligible amount, we have no reason to doubt which we were able to apply, inventories for 1952 were in amounts for beginning and ending inventories for 1952 were in stated.

In our opinion, subject to the comments in the preceding paragraph relative to inventories, the accompanying balance sheet and statements of profit and loss and surplus present fairly the financial position of The Baker-Raulang Company at December 31, 1952, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

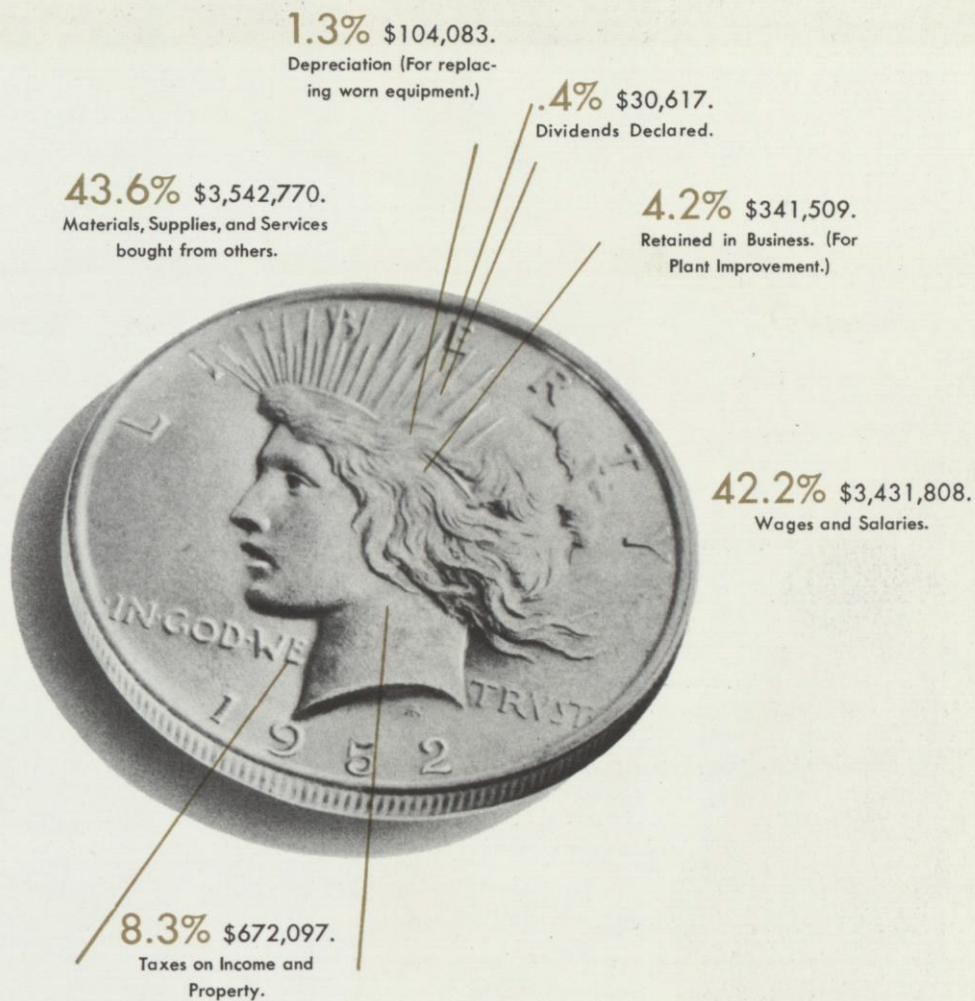

Certified Public Accountants

Wm. L. Lusk
Certified Public Accountants

Cleveland, Ohio
February 23, 1953

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This certificate or report upon an audit or examination is delivered to client with the distinct understanding that any advertisement, publication, or copy therefrom, in full or in part, of such certificate or report, shall be in the form to be approved by us. As a preventive against fraud, attention is directed to the fact that all pages in this report should bear our water mark.

How
THE
SALES
Dollar
WAS
APPLIED
DURING
THE YEAR



TOTALS

1952
\$8,122,884.

1951
\$6,179,839.





12 year

REVIEW

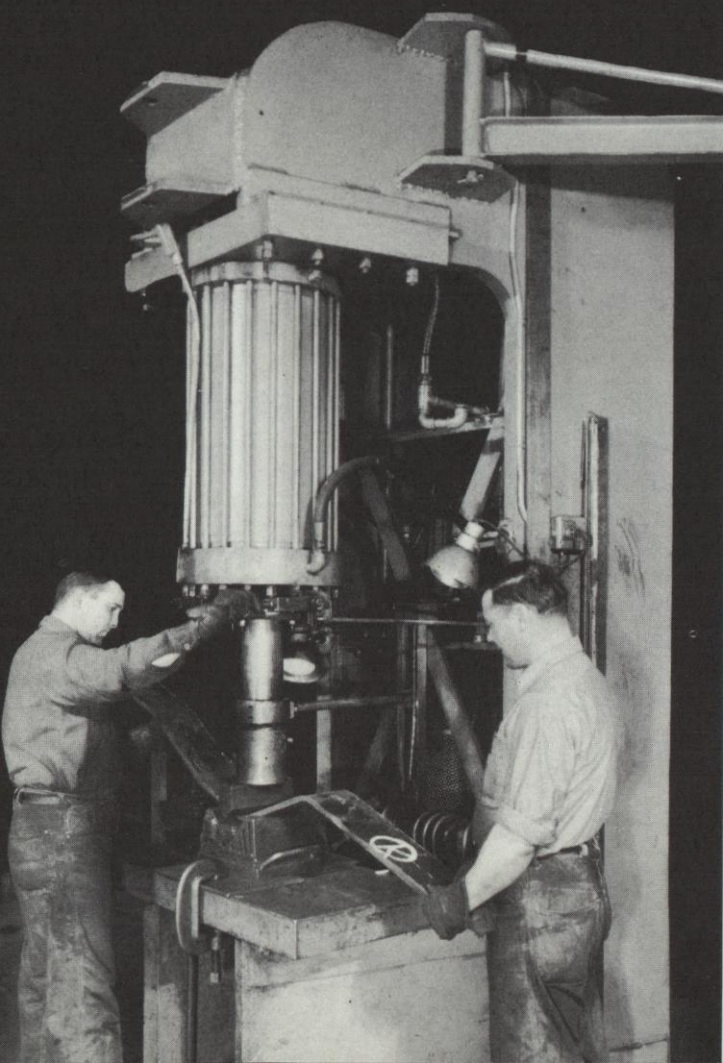
	1952	1951	1950	1949
Net Sales Billed	\$8,157,559.98	\$6,179,839.36	\$3,349,393.99	\$2,977,338.55
Net Before Taxes	962,586.43	885,643.34	313,971.27	73,394.45
Federal Taxes	590,460.85	523,354.46	126,560.44	25,710.15
Net Income	372,125.58	362,288.88	187,410.83	47,684.30
Common Shares Outstanding	178,177	80,443	78,243	78,243
Preferred Shares Outstanding	5,577	5,943	6,067	6,268
Net Per Common Share Adjusted to shares outstanding December 31 basis.	1.93	1.87	.90	.09
Number of Registered Shareholders				
Preferred	59	60	64	66
Common	533	323	218	220
Book Value—per Common Share Adjusted to shares outstanding December 31 basis.	18.11	16.81	14.80	13.94
Plant & Equipment—Net	1,476,267.56	1,341,997.06	1,338,868.76	1,372,928.39
Ratio, Current Assets to Current Liability	2.7 to 1	3.3 to 1	4.1 to 1	7.3 to 1
Working Capital	3,155,705.18	3,113,878.52	1,900,413.40	2,010,204.52
Dividends Declared Common Stock	Stock*	60¢	15¢	10¢

*Two 5% stock dividends paid during 1952.

1948	1947	1946	1945	1944	1943	1942	1941
\$4,392,949.54	\$5,313,158.41	\$4,247,600.62	\$6,022,262.90	\$6,406,340.14	\$7,706,214.11	\$6,881,579.35	\$3,970,884.92
403,367.94	783,072.66	562,375.20	1,089,792.58	1,053,160.06	1,673,841.87	1,407,536.68	722,168.99
157,401.09	301,268.12	215,000.00	922,000.00	932,000.00	1,519,326.47	1,119,524.08	401,075.41
245,966.85	481,804.54	347,375.20	167,792.58	121,160.06	154,615.40	288,012.60	321,093.58
78,243	78,243	78,243	78,243	78,243	78,243	78,243	78,243
6,275	6,275	6,434	6,669	6,951	7,282	7,443	7,443
1.24	2.60	1.81	.77	.50	.68	1.45	1.64
66	69	76	76	84	86	86	78
233	230	276	223	173	Est. 160	Est. 150	134
12.81	11.72	9.01	7.11	6.36	5.94	7.40	6.06
1,177,148.31	718,485.24	538,052.18	364,472.96	479,912.93	692,324.55	770,423.75	762,839.92
5.1 to 1	4.2 to 1	5.0 to 1	3.7 to 1	3.6 to 1	1.7 to 1	2.0 to 1	2.0 to 1
2,367,557.66	2,119,760.61	1,787,279.15	1,731,831.85	1,437,067.14	1,013,511.81	1,148,506.14	904,727.27
25¢	40¢	20¢	20¢	20¢	10¢	—0—	—0—

THE *Baker* *Lull* COMPANY

■ Completely modern production equipment is used throughout the spanking new Baker-Lull plant.



On December 31, 1952 the Baker-Raulang Company purchased the outstanding common stock of the Baker-Lull Corporation of Minneapolis, Minnesota. The principal owner of this privately held corporation was Mr. LeGrand H. Lull (until just before the purchase Mr. Lull operated his company as a proprietorship).

Total cost of this transaction to the Baker-Raulang Company was \$1,256,875.37. Of this amount, \$700,000 was paid in cash and the balance in \$556,875.37 worth of Baker-Raulang stock.

Mr. Lull retained ownership of the senior securities of the new subsidiary amounting to a \$750,000 mortgage and \$350,000 of notes. The obligations are to be retired over a 17-year period.

The present Baker-Lull plant is slightly over one year old and constitutes approximately 90,000 square feet of manufacturing space on a 24-acre plot. It is located in Bloomington Township in Hennepin County 12 miles south of Minneapolis. It is served by both a railroad spur and an excellent highway. Community and employee relations are considered good.

FINANCIAL DATA

Because our auditors and appraisers have not yet submitted their findings on this transaction all figures quoted hereafter are approximate.

The three-year sales record of Baker-Lull of the products described in later pages are:

1950: \$1,721,749

1951: \$2,745,920

1952: \$3,155,000 (estimated)

Recent earnings of this company are approximately \$200,000 annually before taxes. An important factor to consider, however, are several unusual operating expenses in recent years for plant movement and substantial product development costs, totalling almost \$1,000,000 over a four-year period.

Net plant and equipment evaluation of Baker-Lull is approximately \$1,500,000 and total assets exceed \$2,500,000.

Orders currently on hand and certain pending government letters of intent should give Baker-Lull indicated bookings of approximately \$5,000,000.

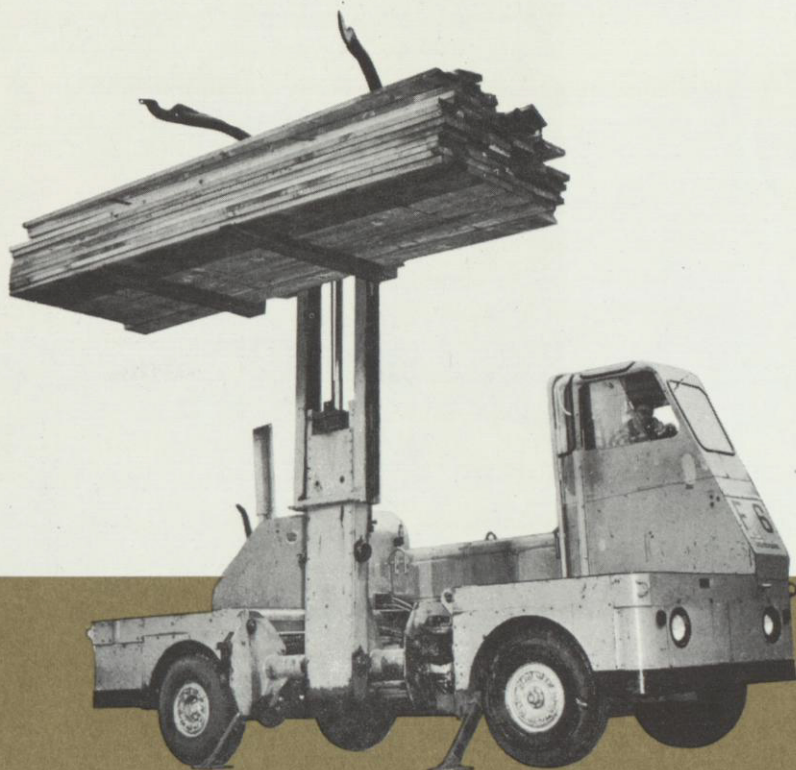
This is over a one year's backlog as the company an-

ticipates shipments in 1953 of close to \$4,000,000. The potential of this operation is considerably in excess of this figure, and the plant should be adequate to produce over \$8,000,000 annual output.

A \$1,500,000 5% "V" loan is being arranged with a group of banks to provide additional working capital for the large volume of military work.

THE PRODUCT PICTURE

Baker-Lull manufactures basically three products. The



pounds. An outdoor unit, it should find wide application handling long loads or groups of pallets.

The third line consists of two heavy duty tractors, called Tractorloaders. They can be equipped with either a bucket or forks, and are presently available in 6,000 and 10,000-pound models. They are available with four-wheel drive and this feature in combination with high flotation tires and four-wheel steer permit them to do handling work over exceedingly rough terrain to equal or exceed the performance of crawler tractors. Over smoother terrain it is considerably faster and more maneuverable than the tractors.

The markets for the Baker-Lull products are diversified. They include freight yards, rail truck and air lines, lumber and logging installations, building materials dealers, mines, public utilities, outdoor storage for manufacturing plants of all description and bulk material handling in manufacturing, roadbuilding, construction, sand and gravel pits, open pit mining, and cement and coal yard operations.

Future products will enhance even this imposing list of customers and prospects. A small battery-powered

■ The Baker-Lull Traveloader, a unique side-loading fork truck designed to handle long, bulky loads.

first and oldest is a line of front-end attachments for industrial tractors commonly employed in construction work.

These include a very popular shovel bucket in several sizes, brooms in several sizes, a loader attachment and bulldozer blades. This is known as the Shovel loader line.

The second is a unique side loading carrier truck known as the Traveloader. This unit (see photograph this page) is available in capacities from five to 30,000

version of the Traveloader is under design for warehousing operations where its side loading features will conserve much aisle space, and permit the carrying of two pallet loads per trip.

Contracts for the armed forces on hand at Baker-Lull include not only requirements for the regular line of products but also development and purchase contracts for confidential products of great import to national defense, as the guided missile handling program. ■



■ The Shovel loader, Lull's front-end loading tractor, is widely used in construction industries as well as in all types of bulk handling applications found in the food, chemical, metal-working and other fields.



■ 4-wheel drive, 4-wheel steer. 5-ton capacity fork truck. High flotation tires permit use in extremely difficult terrain.

■ View of the Baker-Lull plant in Minneapolis. Baker-Lull moved into this 90,000 sq. ft. building in June, 1952. Plant is accessible to excellent rail and highway facilities.

THE
Baker
Lull
COMPANY



■ Lull shovel, scoop, sweeper and other front-end attachments are widely used by such leading tractor manufacturers as Case and Minneapolis-Moline.



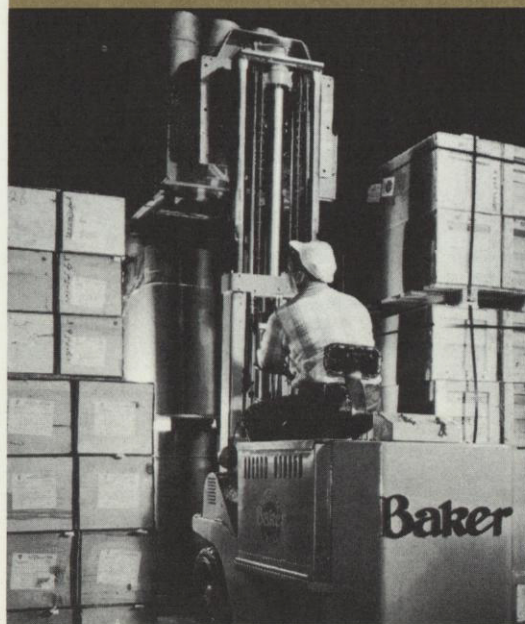
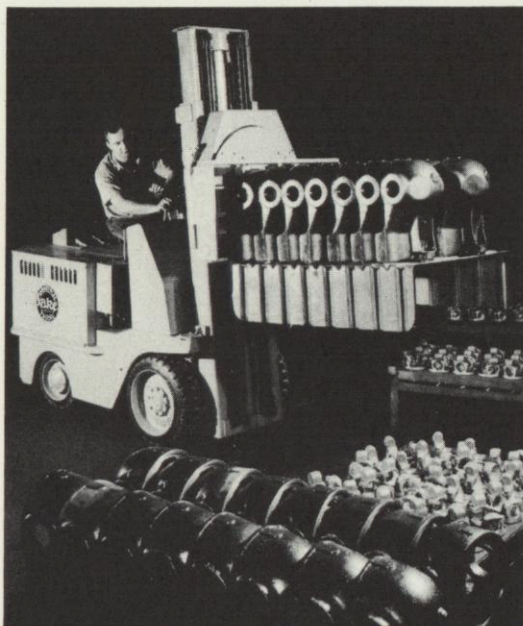
BAKER
TRUCKS
IN

Action

■ Quick-detachable attachments, like the clamp being used here to handle paper rolls, help build sales by making Baker trucks versatile.



■ Baker fork trucks make muscles old fashioned for all types of in-plant handling, for practically all industries.

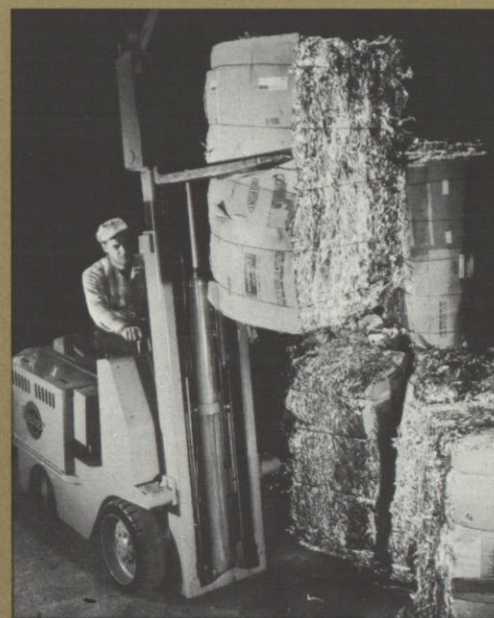


■ Save, fumeless electric fork trucks are favorites for close quarter handling and storing operations. They are universally used in grocery warehousing and in any operation presenting fire hazards.

■ During World War II, fork truck-pallet handling was refined by the Navy to speed shipping of vital supplies. Today, manufacturers take advantage of this system to cut operating costs.



■ Rafter-high stacks of palletized material, each pallet load weighing as much as two tons, save valuable floor space in storage operations.



■ Outfitted with the Baker 4-Purpose Carriage, this fork truck handles loads with or without pallets, provides clamping and side shifting action.

BAKER
CELEBRATES THE
100th
ANNIVERSARY



Nineteen fifty three marks the one hundredth birthday of The Baker-Raulang Company, and brings with it the temptation to warm-over old memories of past achievements.

Certainly there are many triumphs in the company's history which are pleasant to recall. The first shaft-drive auto, for instance. The "Owen Magnetic"—America's first automobile with an electric transmission. Industry's first ram truck. The first locomotive-type crane truck.

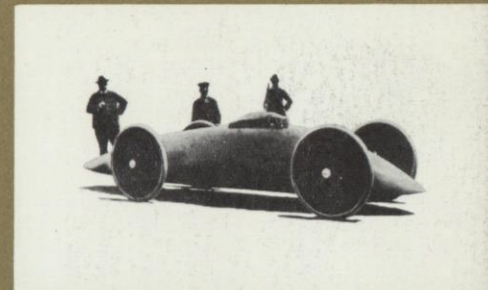
All these have contributed to a 100-year engineering education which has helped Baker become a leader in the industrial truck field today.

But our present plans for an aggressive program of growth and development leave little time for backward glances.

We will celebrate our centennial year by planning and working towards the future. We think the future of your company, and of the materials handling industry, has never been brighter.

All levels of industrial management, in the last few years, have come to recognize the importance of efficient materials handling as one positive way to reduce operating costs and provide better working conditions for employees.

Baker-Raulang will share in the widening business potential this attitude creates, and will continue to grow as the industry grows.



James W. Moran

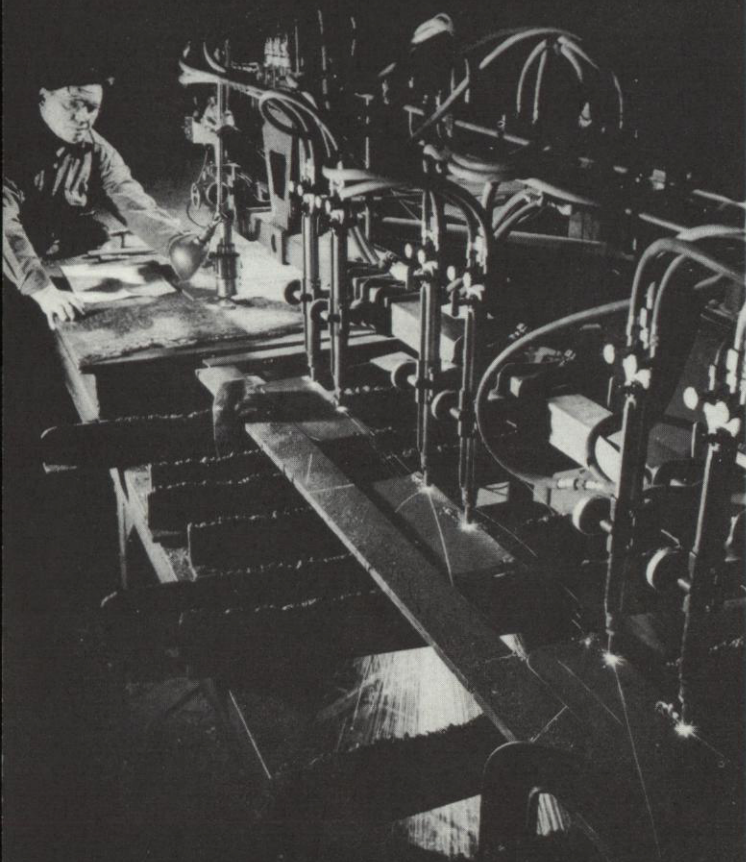
James W. Moran



■ 1910 Baker Electric, one of the finest engineered cars of its day, used the first anti-friction axle.

MANUFACTURING *Gains* DURING THE YEAR

■ This pantograph flame-cutter uses oxy-acetylene torches to cut out as many as five truck members at once.



At the close of 1952, monthly shipments had risen to such an extent that yearly figures represented an increase in units shipped of 226% over 1950 and 92.9% over 1951. A raise in the initial 1953 monthly rate of 20% is already an accomplished fact.

However, efficiency did not suffer with this sudden growth. Despite raises in average labor costs of 15% since 1951, we have been able to substantially reduce the selling price of several of our vehicles to competitive levels. Further, operating efficiency in the plant is now averaging 96.7% reflecting the comparison of actual performance to standard rated machine and man-hours. Factory burden is at an enviable rate.

This increase in efficiency was due to several factors including some new machine tools and the electrification of our complete overhead handling system. Other gains evolved from improved assembly line procedures—where future improvements may also start. Carbide tooling has also been extended wherever possible.

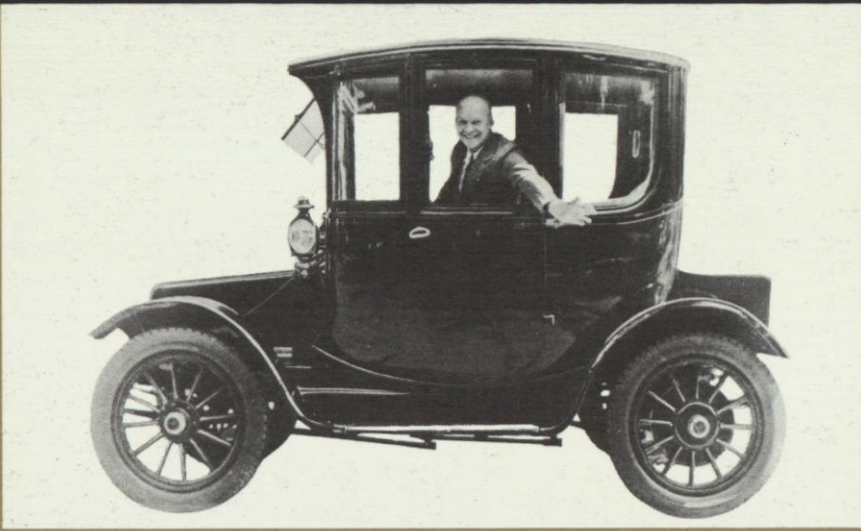
In the realm of labor relations, Baker-Raulang has maintained its record for amicable labor relations. The non-contributory pension plan negotiated in 1951 for factory employees is now finalized. A study is being made to extend it to salaried personnel.

Added benefits to employees also include extended hospitalization and surgical benefits and accidental death insurance.

Plans were formulated in 1952 for adding further to plant capacity. It is possible that we could expand to a complete second shift. Construction of a temporary building on plant property and better utilization of outside storage could improve capacity perhaps 20% assuming that the second shift were added. Neither of these measures would result in excessive expenditures and could be accomplished on relatively short notice.

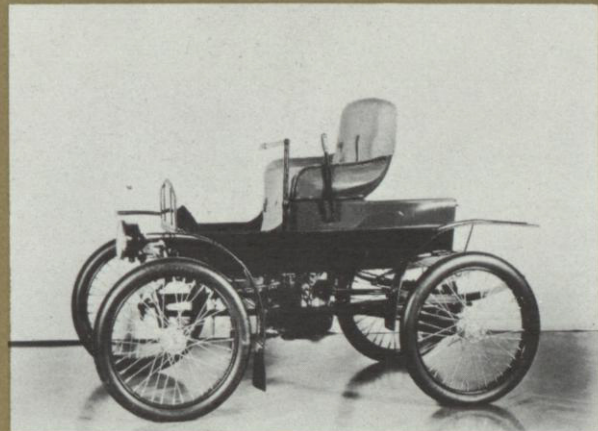
Certain sub-assemblies now used at Baker-Raulang in Cleveland and bought from other companies may, in the future, be made by the Baker-Lull Corporation in Minneapolis. This thinking is contingent however on the ease and efficiency of producing such assemblies at Baker-Lull.

A step in the other direction—that is the procurement of assemblies from outside sources—is also a possible aid to expanded Baker-Raulang production without increasing present plant facilities. ■



■ "Ike" flashed his famous smile from a 1914 Rauch & Lang electric, owned by Mrs. Eisenhower's family, for this photo published by LIFE.

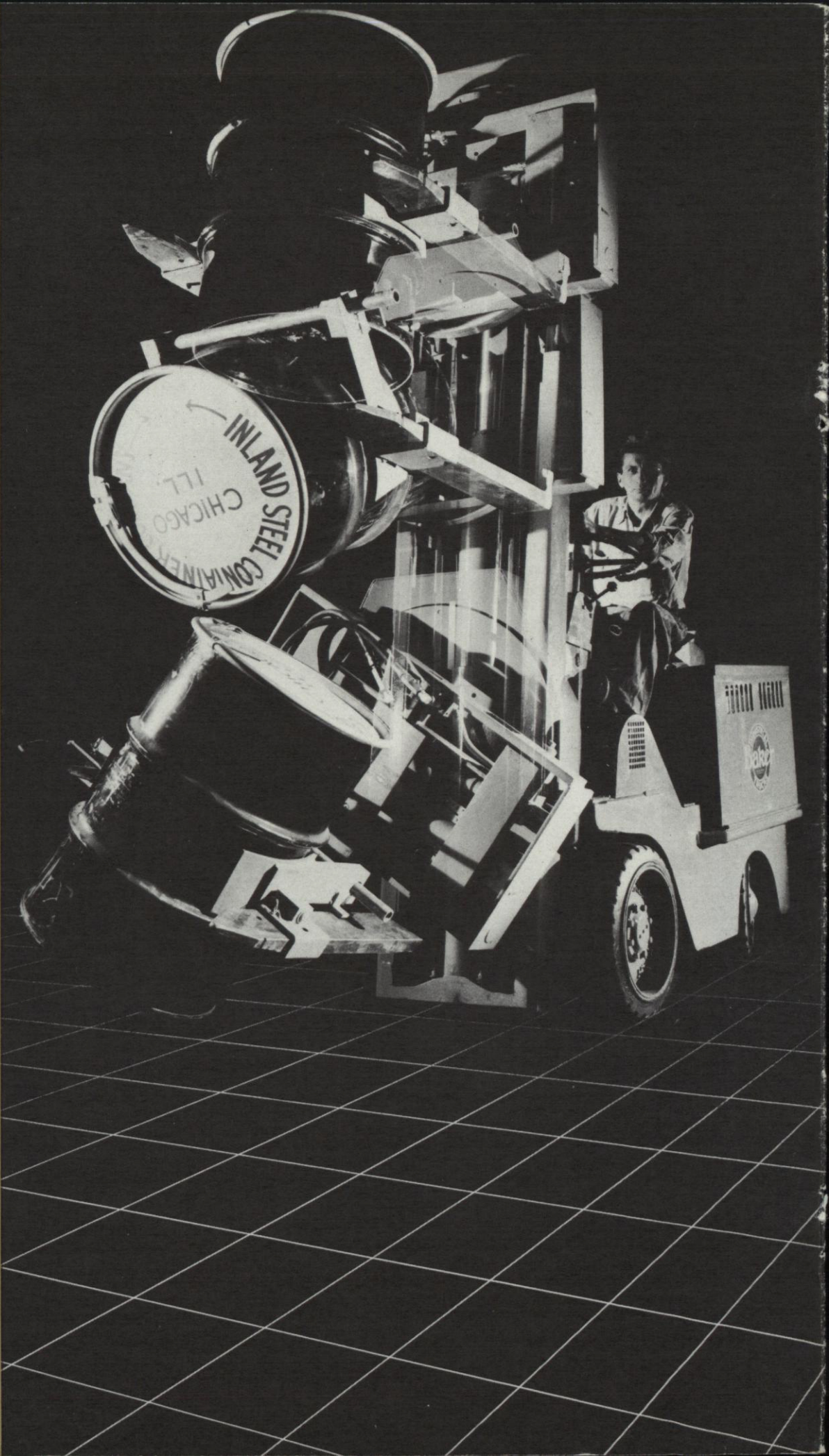
■ Ford's Dearborn Museum owns this 1901 Baker Runabout. Auto historians believe it to be the very first Baker Runabout built.



■ Thomas Edison took his first ride in a horseless carriage built by Baker. This photo was made in 1901 or '02.

■ Walter C. Baker's "Torpedo" hit 102 mph. in 1902 Staten Island speed trials to astound public and auto world.





THE BAKER-RAULLANG COMPANY

THE BAKER-RAULLANG COMPANY
1250 West 80th Street • Cleveland 2, Ohio

THE BAKER-LULL CORPORATION
314 West 90th Street • Minneapolis 20, Minn.